



General Assembly

Amendment

August Special Session, 2008

LCO No. 6914

SB0110006914SR0

Offered by:

SEN. MCKINNEY, 28th Dist.
SEN. FASANO, 34th Dist.
SEN. RORABACK, 30th Dist.
SEN. CALIGIURI, 16th Dist.
SEN. CAPPIELLO, 24th Dist.
SEN. DEBICELLA, 21st Dist.
SEN. FREEDMAN, 26th Dist.

SEN. GUGLIELMO, 35th Dist.
SEN. HERLIHY, 8th Dist.
SEN. KANE, 32nd Dist.
SEN. KISSEL, 7th Dist.
SEN. NICKERSON, 36th Dist.
SEN. RUSSO, 22nd Dist.

To: Senate Bill No. 1100

File No.

Cal. No.

"AN ACT CONCERNING ENERGY ASSISTANCE."

1 Strike section 16 in its entirety and insert the following in lieu
2 thereof:

3 "Sec. 16. (*Effective from passage*) After appropriations have been made
4 pursuant to sections 6 to 13, inclusive, and 15 to 19, inclusive, of this
5 act from the funds credited to the General Fund for the fiscal year
6 ending June 30, 2009, pursuant to subsection (a) of section 1 of this act,
7 any balance of funds remaining in excess of the revenue loss incurred
8 pursuant to section 501 of this act shall remain in the General Fund."

9 After the last section, add the following and renumber sections and
10 internal references accordingly:

11 "Sec. 501. Section 12-587 of the 2008 supplement to the general
12 statutes, as amended by sections 1 and 2 of public act 08-2 of the June
13 11 special session, is repealed and the following is substituted in lieu
14 thereof (*Effective July 1, 2008*):

15 (a) As used in this chapter: (1) "Company" includes a corporation,
16 partnership, limited partnership, limited liability company, limited
17 liability partnership, association, individual or any fiduciary thereof;
18 (2) "quarterly period" means a period of three calendar months
19 commencing on the first day of January, April, July or October and
20 ending on the last day of March, June, September or December,
21 respectively; (3) "gross earnings" means all consideration received
22 from the first sale within this state of a petroleum product; (4)
23 "petroleum products" means those products which contain or are
24 made from petroleum or a petroleum derivative; (5) "first sale of
25 petroleum products within this state" means the initial sale of a
26 petroleum product delivered to a location in this state; (6) "export" or
27 "exportation" means the conveyance of petroleum products from
28 within this state to a location outside this state for the purpose of sale
29 or use outside this state; and (7) "sale for exportation" means a sale of
30 petroleum products to a purchaser which itself exports such products.

31 (b) (1) Except as otherwise provided in subdivision (2) of this
32 subsection, any company which is engaged in the refining or
33 distribution, or both, of petroleum products and which distributes
34 such products in this state shall pay a quarterly tax on its gross
35 earnings derived from the first sale of petroleum products within this
36 state. Each company shall on or before the last day of the month next
37 succeeding each quarterly period render to the commissioner a return
38 on forms prescribed or furnished by the commissioner and signed by
39 the person performing the duties of treasurer or an authorized agent or
40 officer, including the amount of gross earnings derived from the first
41 sale of petroleum products within this state for the quarterly period
42 and such other facts as the commissioner may require for the purpose
43 of making any computation required by this chapter. Except as
44 otherwise provided in subdivision (3) of this subsection, the rate of tax

45 shall be (A) five per cent with respect to calendar quarters prior to July
46 1, 2005; (B) five and eight-tenths per cent with respect to calendar
47 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
48 (C) six and three-tenths per cent with respect to calendar quarters
49 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
50 seven per cent with respect to calendar quarters commencing on or
51 after July 1, 2007, and prior to July 1, 2013; and (E) eight and one-tenth
52 per cent with respect to calendar quarters commencing on or after July
53 1, 2013.

54 (2) Gross earnings derived from the first sale of the following
55 petroleum products within this state shall be exempt from tax: (A) Any
56 petroleum products sold for exportation from this state for sale or use
57 outside this state; (B) the product designated by the American Society
58 for Testing and Materials as "Specification for Heating Oil D396-69",
59 commonly known as number 2 heating oil, to be used exclusively for
60 heating purposes or to be used in a commercial fishing vessel, which
61 vessel qualifies for an exemption pursuant to section 12-412 of the 2008
62 supplement to the general statutes, as amended by section 34 of public
63 act 08-150; (C) kerosene, commonly known as number 1 oil, to be used
64 exclusively for heating purposes, provided delivery is of both number
65 1 and number 2 oil, and via a truck with a metered delivery ticket to a
66 residential dwelling or to a centrally metered system serving a group
67 of residential dwellings; (D) the product identified as propane gas, to
68 be used exclusively for heating purposes; (E) bunker fuel oil,
69 intermediate fuel, marine diesel oil and marine gas oil to be used in
70 any vessel having a displacement exceeding four thousand dead
71 weight tons; (F) for any first sale occurring prior to July 1, 2008,
72 propane gas to be used as a fuel for a motor vehicle; (G) for any first
73 sale occurring on or after July 1, 2002, grade number 6 fuel oil, as
74 defined in regulations adopted pursuant to section 16a-22c, to be used
75 exclusively by a company which, in accordance with census data
76 contained in the Standard Industrial Classification Manual, United
77 States Office of Management and Budget, 1987 edition, is included in
78 code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in

79 the North American Industrial Classification System United States
80 Manual, United States Office of Management and Budget, 1997 edition;
81 (H) for any first sale occurring on or after July 1, 2002, number 2
82 heating oil to be used exclusively in a vessel primarily engaged in
83 interstate commerce, which vessel qualifies for an exemption under
84 section 12-412 of the 2008 supplement to the general statutes, as
85 amended by section 34 of public act 08-150; (I) for any first sale
86 occurring on or after July 1, 2000, paraffin or microcrystalline waxes;
87 (J) for any first sale occurring prior to July 1, 2008, petroleum products
88 to be used as a fuel for a fuel cell, as defined in subdivision (113) of
89 section 12-412 of the 2008 supplement to the general statutes; (K) a
90 commercial heating oil blend containing not less than ten per cent of
91 alternative fuels derived from agricultural produce, food waste, waste
92 vegetable oil or municipal solid waste, including, but not limited to,
93 biodiesel or low sulfur dyed diesel fuel; or (L) for any first sale
94 occurring on or after July 1, 2007, diesel fuel other than diesel fuel to be
95 used in an electric generating facility to generate electricity.

96 (3) The rate of tax on gross earnings derived from the first sale of
97 grade number 6 fuel oil, as defined in regulations adopted pursuant to
98 section 16a-22c, to be used exclusively by a company which, in
99 accordance with census data contained in the Standard Industrial
100 Classification Manual, United States Office of Management and
101 Budget, 1987 edition, is included in code classifications 2000 to 3999,
102 inclusive, or in Sector 31, 32 or 33 in the North American Industrial
103 Classification System United States Manual, United States Office of
104 Management and Budget, 1997 edition, or number 2 heating oil used
105 exclusively in a vessel primarily engaged in interstate commerce,
106 which vessel qualifies for an exemption under section 12-412 of the
107 2008 supplement to the general statutes, as amended by section 34 of
108 public act 08-150, shall be: (A) Four per cent with respect to calendar
109 quarters commencing on or after July 1, 1998, and prior to July 1, 1999;
110 (B) three per cent with respect to calendar quarters commencing on or
111 after July 1, 1999, and prior to July 1, 2000; (C) two per cent with
112 respect to calendar quarters commencing on or after July 1, 2000, and

113 prior to July 1, 2001; and (D) one per cent with respect to calendar
114 quarters commencing on or after July 1, 2001, and prior to July 1, 2002.

115 (4) Any company subject to tax under this subsection that receives
116 in excess of three dollars and ten cents per gallon from the first sale of
117 petroleum products within this state shall be deemed to have received
118 three dollars and ten cents per gallon.

119 (c) (1) Any company which imports or causes to be imported into
120 this state petroleum products for sale, use or consumption in this state,
121 other than a company subject to and having paid the tax on such
122 company's gross earnings from first sales of petroleum products
123 within this state, which earnings include gross earnings attributable to
124 such imported or caused to be imported petroleum products, in
125 accordance with subsection (b) of this section, shall pay a quarterly tax
126 on the consideration given or contracted to be given for such
127 petroleum product if the consideration given or contracted to be given
128 for all such deliveries during the quarterly period for which such tax is
129 to be paid exceeds three thousand dollars. Except as otherwise
130 provided in subdivision (3) of this subsection, the rate of tax shall be
131 (A) five per cent with respect to calendar quarters commencing prior to
132 July 1, 2005; (B) five and eight-tenths per cent with respect to calendar
133 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;
134 (C) six and three-tenths per cent with respect to calendar quarters
135 commencing on or after July 1, 2006, and prior to July 1, 2007; (D)
136 seven per cent with respect to calendar quarters commencing on or
137 after July 1, 2007, and prior to July 1, 2013; and (E) eight and one-tenth
138 per cent with respect to calendar quarters commencing on or after July
139 1, 2013. Fuel in the fuel supply tanks of a motor vehicle, which fuel
140 tanks are directly connected to the engine, shall not be considered a
141 delivery for the purposes of this subsection.

142 (2) Consideration given or contracted to be given for petroleum
143 products, gross earnings from the first sale of which are exempt from
144 tax under subdivision (2) of subsection (b) of this section, shall be
145 exempt from tax.

146 (3) The rate of tax on consideration given or contracted to be given
147 for grade number 6 fuel oil, as defined in regulations adopted
148 pursuant to section 16a-22c, to be used exclusively by a company
149 which, in accordance with census data contained in the Standard
150 Industrial Classification Manual, United States Office of Management
151 and Budget, 1987 edition, is included in code classifications 2000 to
152 3999, inclusive, or in Sector 31, 32 or 33 in the North American
153 Industrial Classification System United States Manual, United States
154 Office of Management and Budget, 1997 edition, or number 2 heating
155 oil used exclusively in a vessel primarily engaged in interstate
156 commerce, which vessel qualifies for an exemption under section 12-
157 412 of the 2008 supplement to the general statutes, as amended by
158 section 34 of public act 08-150, shall be: (A) Four per cent with respect
159 to calendar quarters commencing on or after July 1, 1998, and prior to
160 July 1, 1999; (B) three per cent with respect to calendar quarters
161 commencing on or after July 1, 1999, and prior to July 1, 2000; (C) two
162 per cent with respect to calendar quarters commencing on or after July
163 1, 2000, and prior to July 1, 2001; and (D) one per cent with respect to
164 calendar quarters commencing on or after July 1, 2001, and prior to
165 July 1, 2002.

166 (4) Any company subject to tax under this subsection that gives
167 consideration or contracts to give consideration in excess of three
168 dollars and ten cents per gallon from the first sale of imported or
169 caused to be imported petroleum products shall be deemed to have
170 given consideration or contracted to give consideration of three dollars
171 and ten cents per gallon.

172 (d) The amount of tax reported to be due on such return shall be
173 due and payable on or before the last day of the month next
174 succeeding the quarterly period. The tax imposed under the provisions
175 of this chapter shall be in addition to any other tax imposed by this
176 state on such company.

177 (e) For the purposes of this chapter, the gross earnings of any
178 producer or refiner of petroleum products operating a service station

179 along the highways or interstate highways within the state pursuant to
180 a contract with the Department of Transportation or operating a
181 service station which is used as a training or test marketing center
182 under the provisions of subsection (b) of section 14-344d, shall be
183 calculated by multiplying the volume of petroleum products delivered
184 by any producer or refiner to any such station by such producer's or
185 refiner's dealer tank wagon price or dealer wholesale price in the area
186 of the service station."